

Economics:

1. **Q: What are the potential changes in the existing property owners' tax base due to urbanization?**

A: The Mid-Coyote area will need to be annexed to San Jose to implement the Coyote Valley Specific Plan. Annexation by itself does not trigger a reappraisal for property tax purposes. The basic property tax rate would remain the same.

The City of San Jose also imposes a 5% utility tax on PG&E, water, and telephone bills, and a property transfer tax (currently \$3.30/1,000 of sale price). The transfer tax is levied only on transfer or sale of the property, not annexation.

2. **Q: Will existing landowners in the South Coyote Valley Greenbelt area be required to pay for the flood control improvements (to Fisher Creek) and transportation improvements required for the new urban development in the North and Mid-Coyote Valley areas?**

A: No, the new development in the North and the Mid-Coyote Valley will be required to pay for their infrastructure needs.

3. **Q: How will the costs of urbanization be equitably distributed among the North and Mid Coyote Valley's property owners?**

A: The economic consultants have begun to work with the property owners and the City to develop a strategy for equitable financing of the infrastructure. Detailed information was presented on infrastructure costs and financing principles and financing feasibility at the Task Force Meetings on January 10, 2005, September 10, 2007 and October 15, 2007. The approach is based on distributing costs proportionate to benefit. The strategy is continuing to be refined over the next few months. These efforts are intended to ensure that property owners bear their fair share of the costs of urbanization, and are compensated for any contributions in excess of their fair share.

4. **Q: What is the right type and mix of jobs for Coyote Valley?**

A: Long standing policy for the Coyote Valley calls for at least 50,000 jobs to be accommodated in Coyote Valley, most of which will be in the driving industry sectors and

professional and medical services. Retail support, civic and other support jobs are anticipated to account for several thousand additional jobs, beyond the 50,000. Little to no light industrial and warehouse jobs are likely to be planned for Coyote Valley because land for these uses already exists in San Jose. The economic consultants have prepared a market analysis that is analyzing the right mixture of jobs for the Coyote Valley area (available on the website).

- 5. Q: Will the jobs created by the proposed Gavilan College count towards the 50,000 industry driving jobs?**

A: No, the jobs at Gavilan College would not contribute to the 50,000 jobs. Industry-driving jobs include all jobs, excluding retail and government jobs.

- 6. Q: How will landowners be compensated if their properties are needed for streets or other infrastructure?**

A: The economic consultants presented detailed information on infrastructure costs and financing principles and financial feasibility at the Task Force Meetings on January 10, 2005, September 10, 2007, and October 15, 2007. The consultants are working with the property owners and the City to refine the strategy for equitable financing of the infrastructure over the next several months. The approach is based on distributing costs proportionate to benefit.

- 7. Q: What about the economic question as to whether San Jose is winning or losing on this deal?**

A: A fiscal analysis which assesses the fiscal implications in terms of the projected revenues and costs of providing public services for the Coyote Valley Specific Plan area relative to the rest of San Jose was presented at the April 24, 2006 Task Force Meeting, and the Draft Fiscal Impact Analysis Report is posted on the front page of the CVSP website.

- 8. Q: Has any land cost analysis been done for the three alternative plans?**

A: Yes, the results of this analysis can be found on the website under Task Force Workbook, Chapter 4.e (v) Economic and Planning Systems (see materials for Task Force Meeting on August 30, 2004).

9. Q: What will be the impact to the price of water?

A: The City is working with the appropriate agencies to determine the water supply. The water retailers determine the price for water supply. Water supply is also addressed in the Draft EIR, posted on the CVSP website.

10.Q: What is the process for ensuring that private water retailers have as much access to providing water?

A: Property owners will get to choose who they want their water supplier to be during the subdivision map process. The CVSP water supply assessment will verify whether there is an adequate water supply; it will not specify who will provide the water.

11.Q: How will school funding be handled?

A: Schools will be funded by a combination of state funding, Community Facilities Districts, and land dedication.